



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2009 Biennium

Bill #	HB0835	Title:	Facilitate environmental permit laws and create an college internship program
Primary Sponsor:	Stahl, Wayne	Status:	As Introduced

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|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
Expenditures:				
General Fund	\$37,500	\$37,500	\$38,438	\$39,399
State Special Revenue	\$454,620	\$438,398	\$449,357	\$460,591
Revenue:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance	(\$37,500)	(\$37,500)	(\$38,438)	(\$39,399)

Description of fiscal impact:

FISCAL ANALYSIS

Assumptions:

Department of Environmental Quality (DEQ)

1. A vacant position will be reassigned for the office manager located at the Office of Permit Facilitation headquarters in Butte. The primary duties of this position will be management of the Permit Facilitation Internship Program, which will include coordination with the 24 educational institutions within the State of Montana, supervision of the interns and supervision of technical staff (described in assumption #5), coordination of the permit application completeness review by these interns, and coordination with the air and water permitting programs within the DEQ.
2. The manager's position will be a pay band 7 Bureau Chief.
3. The Office of Permit Facilitation headquarters will also require the services; a vacant position will be reassigned for administrative support. A significant level of support work is anticipated for receipt, tracking, data management and distribution of the applications to the interns.

4. Total personal services (salaries and benefits) for the new 2.0 FTE will be \$107,353 for FY 2008 and FY 2009.
5. There will be four application review facilitators (pay band 7 engineers or environmental specialists) supervising the interns' review of permit applications. Two of these employees will provide guidance, training, and support for the interns as well as technical oversight of the air permits application reviews performed by the interns. The other two employees will perform the same duties within the water quality application program. Significant facilitation duties will be necessary because the interns are performing application review activities at remote locations. These will be existing DEQ permit staff transferred to the Office of Permit Facilitation.
6. There will be 29 student interns, a minimum of one from each eligible institution, plus an additional five. They will each work 910 hours, full time during the summer (520 hours) and quarter-time during the school year ((2080-520=1560) (1560/4=390) (520+390=910)). They will be paid \$10/hour. Benefits for social security, taxes, retirement, etc are calculated at 20%. Salary costs for the interns will be \$316,380 for FY 2008 and FY 2009.
7. The student interns will remain located in the town where they attend school.
8. This fiscal note does not include any cost estimates for the payment of the intern's tuition as the bill does not address tuition reimbursements.
9. The Office of Permit Facilitation will be able to utilize existing DEQ financial, personnel and legal infrastructure, but will be required to modify information management forms and systems to facilitate monitoring of permit application review.
10. Operating Expenses are estimated to be \$175,440 in FY 2008 and \$159,218 in FY 2009. Expenses are higher in the first year for office set up costs. Included in this is a substantial travel budget for coordination and facilitation with the education institutions, substantial postage budget for distribution of the applications to and from the interns to the Office of Permit Facilitation in Butte, rent, database enhancement and agency indirects costs. Overnight mail with premium postage and shipping rates will need to be utilized to meet the review deadlines while providing adequate completeness review and management oversight time.
11. Support for the intern's office space, computers, Internet capabilities, telephones, and supplies will be the responsibility of the educational institutions or the interns.
12. Additional permit application fee revenues will be required to supplement the general fund appropriation. This will cause an increase in the current permit fees not provided for in this bill.
13. A 2.5% inflation rate was applied to FY 2010 and FY 2011 for personal services and operating expenses.

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Personal Services	\$316,680	\$316,680	\$324,597	\$332,712
Operating Expenses	\$175,440	\$159,218	\$163,198	\$167,278
TOTAL Expenditures	\$492,120	\$475,898	\$487,795	\$499,990
<u>Funding of Expenditures:</u>				
General Fund (01)	\$37,500	\$37,500	\$38,438	\$39,399
State Special Revenue (02)	\$454,620	\$438,398	\$449,357	\$460,591
TOTAL Funding of Exp.	\$492,120	\$475,898	\$487,795	\$499,990
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$37,500)	(\$37,500)	(\$38,438)	(\$39,399)
State Special Revenue (02)	(\$454,620)	(\$438,398)	(\$449,357)	(\$460,591)

Technical Notes:

1. The budget for the salaries and operating expenses for the office management (assumption #1), administrative support (assumption #3), and four technical staff outline in assumption #5 is proposed to be transferred from existing DEQ FTE for the 2009 biennium. The appropriation for the both the personal services and the associated operating expenses for the six vacant positions were proposed in the DEQ's budget but is not included the budget bill for DEQ as of the writing of this fiscal note on March 27, 2007.

*Sponsor's Initials*_____
*Date*_____
*Budget Director's Initials*_____
Date